

MEDIA RELEASE

For Immediate Release

United Global posts 32.9% surge in 1Q2018 net profit to US\$2.2 million

- *Revenue jumps 56.7% to US\$31.0 million boosted by strong Manufacturing sales volume from the Group's plants in Indonesia and Singapore*

Period ended 31 March (US\$'000)	1Q2018	1Q2017	Q-Q Change
Revenue	30,972	19,762	56.7%
Gross Profit	5,853	3,563	64.3%
Profit Before Tax	2,843	2,008	41.6%
Net Profit Attributable to Equity Holders of the Company	2,227	1,676	32.9%

SINGAPORE, 7 May 2018 – Catalyst-listed **United Global Limited** (“**United Global**” or the “**Company**”, and together with its subsidiaries, the “**Group**”), an established, Singapore-based independent lubricant manufacturer and trader, today reported that its net profit attributable to shareholders in the first quarter of 2018 surged 32.9% to US\$2.2 million.

The Group’s revenue jumped 56.7% to US\$31.0 million, propelled by a 125.0% boost in Manufacturing revenue from the Group’s plants in Indonesia and Singapore, despite an 88.6% decline in Trading revenue due to the elimination of inter-group cross selling following the integration of PT Pacific Lubritama Indonesia (“**PLI**”) into the Group.

In the latest results for the three months ended 31 March 2018, the Group achieved earnings per share (based on the weighted average number of ordinary shares in issue) of 0.7 US cent, which was up 16.7% from the same quarter a year ago. As at 31 March 2018, the Group’s net asset value per share grew to 11.0 US cents, from 10.4 US cents for the year ended 31 December 2017. Cash and bank balances stood at US\$10.4 million.

Segment Review

US\$'000	1Q2018	1Q2017	Q-Q Change
MANUFACTURING			
Revenue	30,249	13,445	125.0%
Gross Profit	5,776	3,318	74.1%
Gross Profit Margin (%)	19.1	24.7	(5.6 ppt)
TRADING			
Revenue	723	6,317	(88.6%)
Gross Profit	77	245	(68.6%)
Gross Profit Margin (%)	10.7	3.9	6.8 ppt

Manufacturing

In 1Q2018, higher sales volume from the Group's two plants in Indonesia and Singapore boosted Manufacturing revenue by 125.0% to US\$30.2 million, despite a partial dip in average selling price ("ASP") due to a different product mix. This led to lower gross profit margin, which declined by 5.6 percentage points to 19.1%.

Trading

The elimination of inter-group cross selling of base oil and additives between the Group and PLI led to an 88.6% decline in Trading revenue to US\$723,000. Gross profit margin rose by 6.8 percentage points to 10.7% in 1Q2018 as sales now comprised of sales to third party customers (excluding PLI) mainly in smaller quantities and as such commanded higher gross margin.

Said Mr Jacky Tan, United Global's Executive Director and CEO: "The Group, with the tripling in blending capacity following the successful acquisition of PLI, will have the much-needed boost for its growth trajectory. Moving ahead, we will continue to focus on driving sales volume, margins and market share, both organically and through joint ventures and strategic partnerships."

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*This media release has been prepared by United Global Limited (the “**Company**”) and its contents have been reviewed by the Company’s sponsor, SAC Capital Private Limited (the “**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The Sponsor has not independently verified the contents of this media release.*

This media release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this media release, including the correctness of any of the statements or opinions made or reports contained in this media release.

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About United Global Limited (www.unitedgloballimited.com)

United Global Limited (“**United Global**” or the “**Company**”, together with its subsidiaries (the “**Group**”)) is an established independent lubricant manufacturer of a wide range of high quality, well-engineered products under our in-house brands such as “United Oil”, “U Star Lube”, “Bell1”, “HydroPure” and “Ichiro” as well as for third-party principals. Our other core business is in the trading of base oils, additives and lubricants. We provide a wide range of lubricants and specialty fluids for the automotive, industrial and marine applications as well as metal working fluids, with a wide distribution network covering over 30 countries.

Started in 1999, the Group has established itself as a reliable and responsive service provider as well as a specialist in automatic transmission fluids. Our ability to customise products and production volume at a reasonable price has given us a competitive edge.

United Global is an ISO9001-certified company, with a blending capacity of 60,000MT per annum in Singapore and 80,000MT in Indonesia via its 95% subsidiary PT Pacific Lubritama Indonesia (“PLI”). A manufacturer of lubricants based in Indonesia, PLI also has storage tanks with a total capacity of 17,000MT and jetty access to bulk shipments by vessels with cargo capacity of up to 12,000MT.